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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re	:	Chapter 11
	:	
SEARS HOLDING CORPORATION, <i>et al.</i> , ¹	:	Case No. 18-23538 (RDD)
	:	
Debtors.	:	(Jointly Administered)
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**STATEMENT OF ISSUES AND
DESIGNATION OF RECORD ON APPEAL BY APEX TOOL GROUP, LLC**

Apex Tool Group, LLC (“Appellant”) hereby provides, pursuant to Rule 8009 of the Federal Rules of Bankruptcy Procedure and Rule 8009-1 of the Local Bankruptcy Rules of the United States Bankruptcy Court for the Southern District of New York, the following statement

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors’ corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

of issues and designation of the items to be included in the record in connection with Appellant's appeal from the October 15, 2019 *Order Denying Vendors' Motions for Allowance and Payment of Administrative Expense Claims* [ECF No. 5371] (the "Order") entered by the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court").

STATEMENT OF ISSUES ON APPEAL

1. Whether the Bankruptcy Court erred by finding that goods that come into a debtor's physical possession postpetition pursuant to a prepetition contract do not, as a matter of law, give rise to an administrative expense claim under Bankruptcy Code section 503(b)(1).

DESIGNATION OF RECORD ON APPEAL

2. Appellant hereby designates the following items to be included in the record on appeal, which includes all exhibits and addenda attached thereto and filed therewith and all documents incorporated by reference therein:

Docket No.	Docket Entry Date	Description
3	10/15/2018	Declaration of Robert A. Riecker Pursuant to Rule 1007-2 of Local Bankruptcy Rules for Southern District of New York
14	10/15/2018	Motion of Debtors for Interim and Final Authority to (I) Pay Prepetition Claims of (A) Shippers, Warehousemen, and Other Non-Merchandise Lien Claimants and (B) Holders of PACA/PASA Claims, and (II) Confirm Administrative Expense Priority for Prepetition Orders Delivered to the Debtors Postpetition, and Satisfy Such Obligations in the Ordinary Course of Business
115	10/16/2018	Interim Order Authorizing Debtors to (I) Pay Prepetition Claims of (A) Shippers, Warehousemen, and Other Non-Merchandise Lien Claimants, and (B) Holders of PACA/PASA Claims, and (II) Confirm Administrative Expense Priority for Prepetition Order Delivered to the Debtors Postpetition and Satisfy Such Obligations in the Ordinary Course of Business
452	11/03/2018	Notice of Reclamation Demand by Apex Tool Group, LLC filed by Gregg M. Galardi on behalf of Apex Tool Group, LLC

Docket No.	Docket Entry Date	Description
558	11/08/2018	Response and Limited Objection of Apex Tool Group, LLC to the Motion of Debtors for Interim and Final Authority to (I) Pay Prepetition Claims of (A) Shippers, Warehousemen, and Other Non-Merchandise Lien Claimants and (B) Holders of PACA/PASA Claims, and (II) Confirm Administrative Expense Priority for Prepetition Orders Delivered to the Debtors Postpetition, and Satisfy Such Obligations in the Ordinary Course of Business (related document(s)14) filed by Gregg M. Galardi on behalf of Apex Tool Group, LLC
672	11/13/2018	Debtors' Reply to Objections to Debtors' Motion for Authority to (I) Pay Prepetition Claims of (A) Shippers, Warehousemen, and Other Non-Merchandise Lien Claimants and (B) Holders of PACA/PASA Claims, and (II) Confirm Administrative Expense Priority for Prepetition Orders Delivered to the Debtors Postpetition, and Satisfy Such Obligations in the Ordinary Course of Business
843	11/20/2018	Final Order Authorizing Debtors to (I) Pay Prepetition Claims of (A) Shippers, Warehousemen, and Other Non-Merchandise Lien Claimants, and (B) Holders of PACA/PASA Claims, and (II) Confirm Administrative Expense Priority for Prepetition Orders Delivered to the Debtors Postpetition, and Satisfy Such Obligations in the Ordinary Course of Business
1386	12/21/2019	Motion of Winners Industry Co., Ltd. for Allowance and Payment of Administrative Expense Claims
1477	01/03/2019	Motion of Milton Manufacturing, LLC to Allow and Compel Payment of Administrative Expense Claim Under 11 U.S.C. § 503(b) for Craftsman Branded Goods Delivered to the Debtor Postpetition
1491	01/04/2019	Motion of Apex Tool Group, LLC to Allow and Compel Immediate Payment of Administrative Expense Claim Pursuant to 11 U.S.C. 503(b)(1)(a) and 11 U.S.C. 503(b)(9) filed by Gregg M. Galardi on behalf of Apex Tool Group, LLC
1759	01/23/2019	Limited Objection of Apex Tool Group, LLC to the Debtors' Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction (related document(s)1731) filed by Gregg M. Galardi on behalf of Apex Tool Group, LLC.
3323	04/23/2019	Motion of Mien Co. Ltd. to Allow and Compel Payment of Administrative Expense Claim Under 11 U.S.C. § 503(b) for Jaclyn Smith Branded and Private Label Goods Delivered to the Debtor Post-Petition
3604	05/03/2019	Motion by Pearl Global Industries Ltd. to Allow and Compel Payment of Administrative Expense Claim Under 11 U.S.C. § 503(b)(1)
3667	05/07/2019	Supplement to Motion of Apex Tool Group, LLC to Allow and Compel Immediate Payment of Administrative Expense Claim Pursuant to 11 U.S.C. 503(b)(1)(A) and 11 U.S.C. 503(b)(9)

Docket No.	Docket Entry Date	Description
3670	05/07/2019	Motion by Gokaldas Exports Ltd. to Allow and Compel Payment of Administrative Expense Claims under 11 U.S.C. § 503(b)
3883	05/15/2019	Debtors Omnibus Objection to Vendors Motions for Allowance and Payment of Administrative Expense Claims
3921	05/17/2019	Response of Apex Tool Group, LLC to Debtors' Omnibus Objection to Vendors' Motions for Allowance and Payment of Administrative Expense Claims
4060	05/29/2019	Notice of Filing of Exhibits to the Disclosure Statement for Second Amended Joint Chapter 11 Plan of Sears Holdings Corporation and Its Affiliated Debtors
4390	06/28/2019	Disclosure Statement for Second Amended Joint Chapter 11 Plan of Sears Holdings Corporation and Its Affiliated Debtors
4392	06/28/2019	Order (I) Approving Disclosure Statement, (II) Establishing Notice and Objection Procedures for Confirmation of the Plan, (III) Approving Solicitation Packages and Procedures for Distribution Thereof, (IV) Approving the Forms and Ballots and Establishing Procedures for Voting on the Plan, and (V) Granting Related Relief
5293	10/01/2019	Modified Second Amended Joint Chapter 11 Plan of Sears Holdings Corporation and Its Affiliated Debtors
5296	10/01/2019	Debtors' Supplemental Memorandum of Law in Support of Confirmation of Modified Second Amended Joint Chapter 11 Plan of Sears Holdings Corporation and Its Affiliated Debtors
5297	10/01/2019	Supplemental Declaration of Brian J. Griffith in Support of Confirmation of Modified Second Amended Joint Chapter 11 Plan of Sears Holdings Corporation and Its Affiliated Debtors
5370	10/15/2019	Order (I) Confirming Modified Second Amended Joint Chapter 11 Plan of Sears Holdings Corporation and Its Affiliated Debtors and (II) Granting Related Relief

HEARING TRANSCRIPTS

Docket No.	Docket Entry Date	Description
136	10/16/2018	Transcript of Hearing Held on 10/15/2018
4803	08/09/2019	Transcript of Hearing Held on 11/15/2018
5500	10/24/2019	Transcript of Hearing Held on 05/21/2019
4799	05/31/2019	Transcript of Hearing Held on 05/29/2019
5395	10/07/2019	Transcript of Hearing Held on 10/03/2019
5396	10/29/2019	Transcript of Hearing Held on 10/07/2019

Dated: November 12, 2019
New York, New York

APEX TOOL GROUP, LLC

/s/ Gregg M. Galardi

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